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WALLMAN
STRATEGIC CONSULTING, LLC

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JUN 6 2001

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

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ORIGINAL

June 6, 2001

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Ex Parte Submission, CC Dockets 00-256, 96-45, 98-77, 98-166

Dear Secretary Salas:

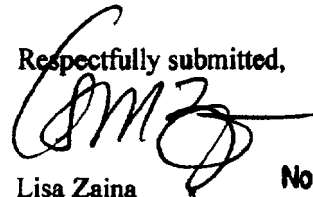
On June 4, 2001, Cindy Bittinger, Clarks Telecommunications Co., Mick Jensen and Ken Pfister, Great Plains Communications, Chuck Fast, Consolidated Companies, and Lisa Zaina, Wallman Strategic Consulting, LLC spoke via conference call with Dorothy Attwood, Chief, CCB, Carol Matthey, Deputy Chief, CCB, Jack Zinman, CCB Counsel, and Katherine Schroder, Chief, APD.

The participants discussed the need to maintain the optionality of the MAG plan for small and rural carriers. Because of the different cost structures among the small and rural carriers, it is imperative that all small and rural companies have a choice of whether to adopt the MAG plan's proposals. The participants also conveyed to the Commission that applying a target access rate of \$.016 does not reflect the true costs of providing access for many companies, which is much higher. Finally, the participants discussed the fact that pushing down access rates to inappropriately low levels and compensating for it by creating a larger than necessary RAS that is part of a portable subsidy element creates an inappropriate incentive for competitors to enter a service area in order to simply have access to the portable, inappropriately sized subsidy element.

In accordance with the Commission's rules, I submit two copies for the record for each proceeding.

Respectfully submitted,

Lisa Zaina



No. of Copies rec'd at 7
List A B C D E

Enclosures

cc: Dorothy Attwood
Jack Zinman
Jane Jackson

Carol Matthey
Katherine Schroder

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CLARKS TELECOMMUNICATIONS CO.
Clarks, Nebraska

CONSOLIDATED COMPANIES
Lincoln, Nebraska

GREAT PLAINS COMMUNICATIONS
Blair, Nebraska

June 4, 2001

- Each respective Chart A displays the prospective interstate revenue sources with the MAG Plan's proposed SLC increases and a Composite Access Rate (CAR) of 1.6¢ per minute as is proposed for participants in Path A of the Plan.

Conclusions: (1) At a 1.6¢ CAR, a substantial portion of the companies' access costs are recovered in "subsidy" mechanisms.

(2) A significant portion of each company's revenue would be derived from the Universal Service Fund (USF) and Rate Averaging Support (RAS) mechanisms, both of which are portable to other competitive carriers designated as Eligible Telecommunications Carriers (ETCs).

- The information on Chart B reflects the percentages of actual year 2000 operating revenue that correspond to the various sources of revenue for each company. Chart C shows prospective revenue for each company with the Subscriber Line Charge (SLC) increases as proposed in the MAG Plan. These charts are provided in response to a request to further break down the revenue sources in charts previously provided.

Conclusion: The companies have a high reliance on access and USF as a significant portion of revenue for each company is derived from access and USF.

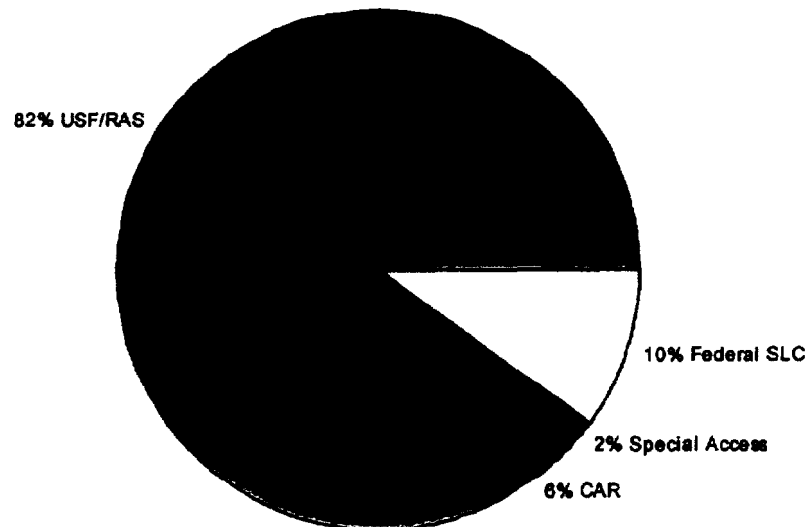
- The information on page 8 is provided in response to a question concerning the breakdown of each company's access lines.
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CLARKS TELECOMMUNICATIONS CO.

(A)

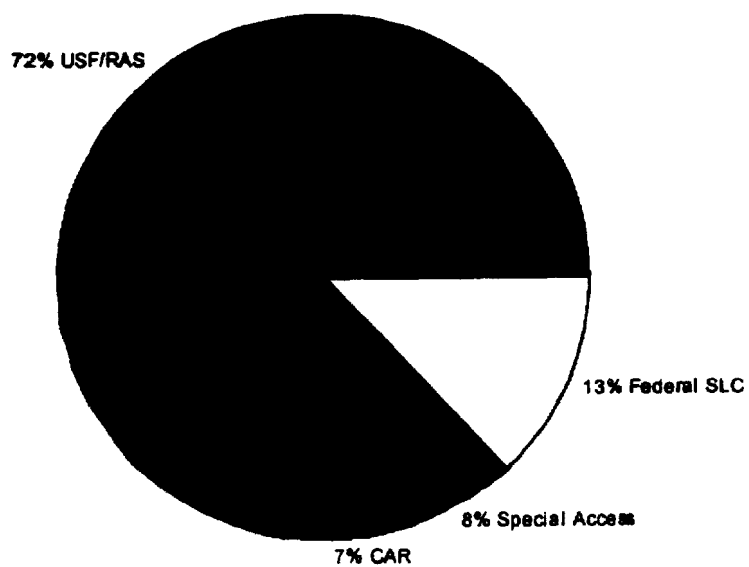
Interstate Revenue with Proposed SLC Increases and CAR of \$.016 Per Minute



CONSOLIDATED COMPANIES

(A)

Interstate Revenue with Proposed SLC Increases and CAR of \$.016 Per Minute

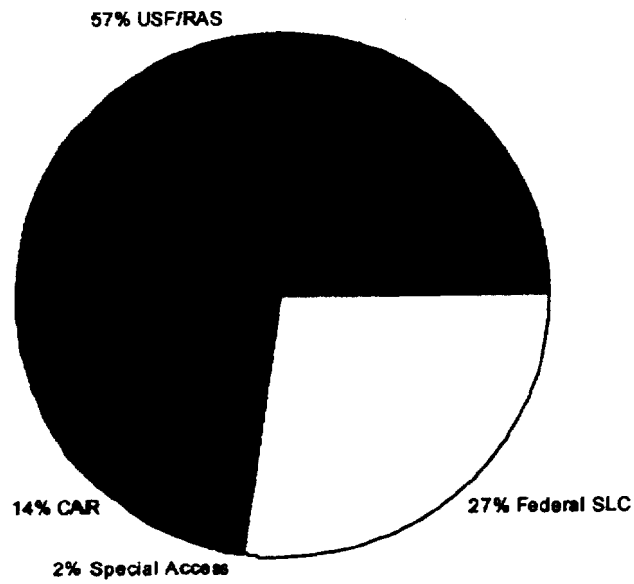


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GREAT PLAINS COMMUNICATIONS

(A)

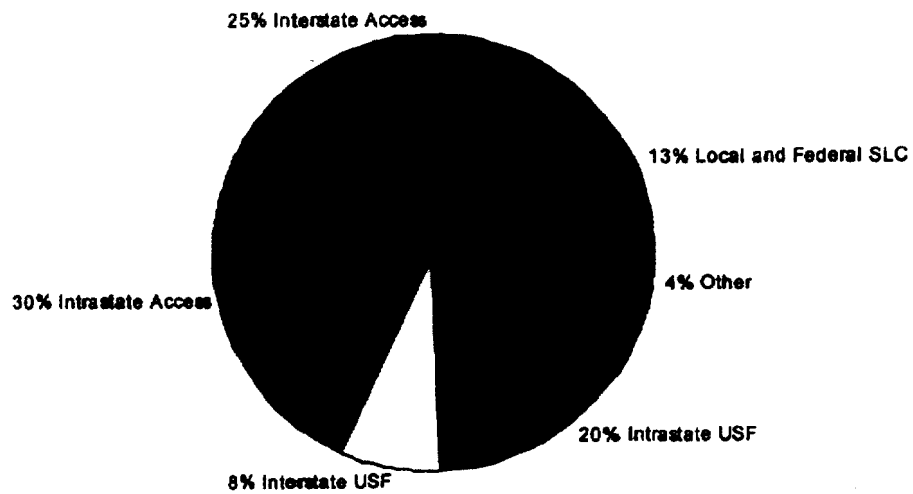
Interstate Revenue with Proposed SLC Increases and CAR of \$.016 Per Minute



CLARKS TELECOMMUNICATIONS CO.

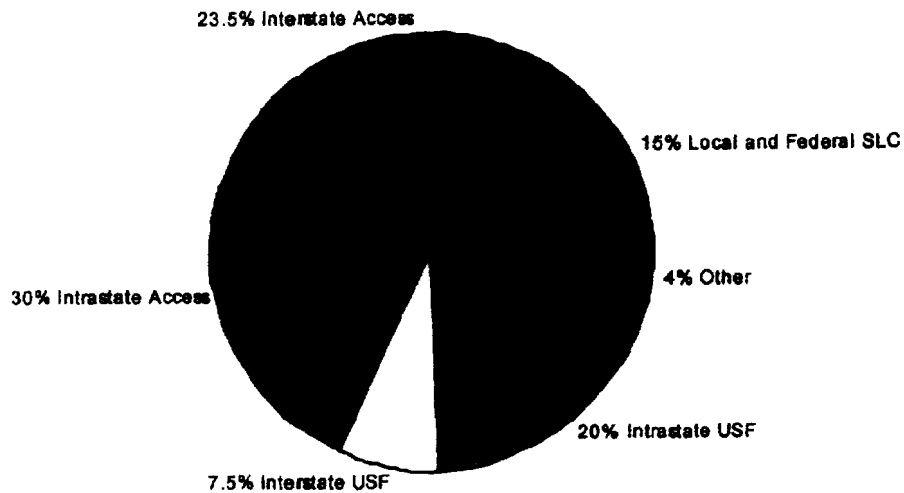
(B)

Actual 2000 Revenue



(C)

Revenue With Proposed SLC Increases

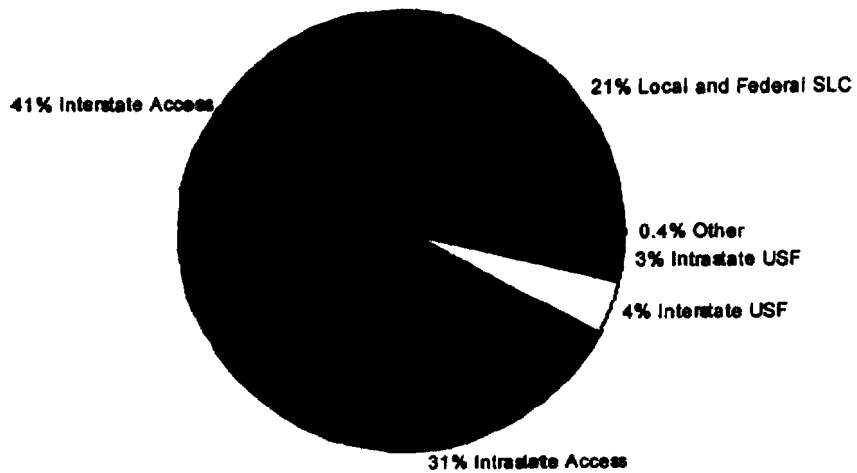


CONSOLIDATED COMPANIES

Includes data for Consolidated Telco and Consolidated Telephone only.
(Home and Eustis were purchased January 2001.)

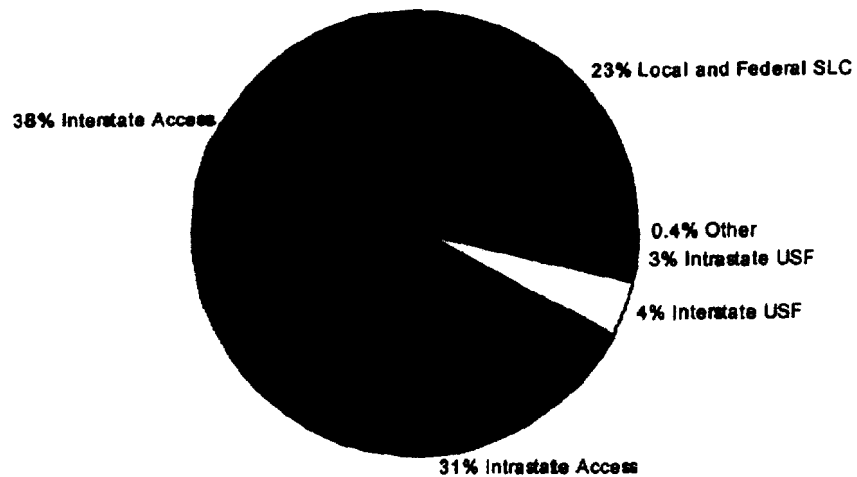
(B)

Actual 2000 Revenue



(C)

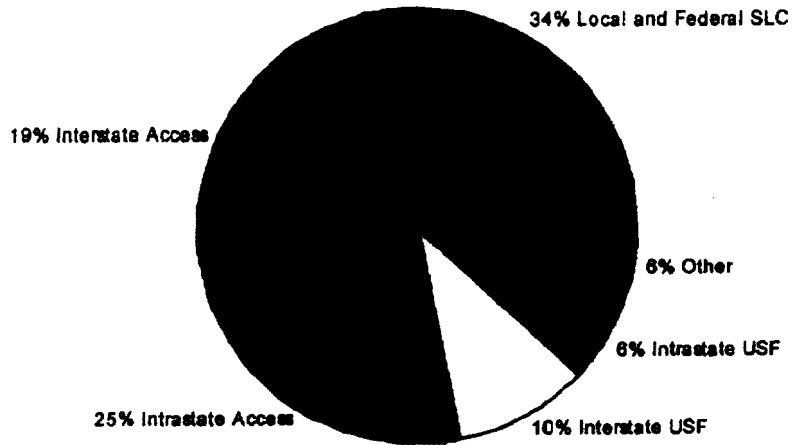
Revenue With Proposed SLC Increases



GREAT PLAINS COMMUNICATIONS

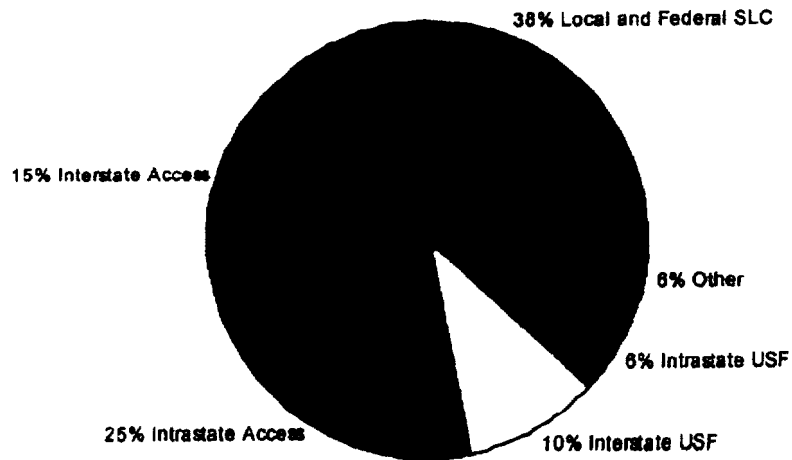
(B)

Actual 2000 Revenue



(C)

Revenue With Proposed SLC Increases



GREAT PLAINS COMMUNICATIONS

33,511 Access Lines

26,331 Residence

7,180 Business

CONSOLIDATED COMPANIES

(Includes Home and Eustis)

6,438 Access Lines

4,842 Residence

1,596 Business

CLARKS TELECOMMUNICATIONS CO.

977 Access Lines

842 Residence

135 Business